

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the
Commission's Own Motion into the Rates,
Operations, Practices, Service and Facilities
of Southern California Edison Company.

FILED
PUBLIC UTILITIES COMMISSION
MAY 26, 2005
SAN FRANCISCO OFFICE
INVESTIGATION 05-05-024

ORDER INSTITUTING INVESTIGATION

Southern California Edison Company (SCE) is a public utility electric corporation under this Commission's jurisdiction. The Commission exercises, in connection with general rate cases and other forums, its constitutionally and legislatively derived jurisdiction to regulate SCE's rates, practices, service, and the reliability, safety and adequacy of its facilities. (See Pub. Util. Code §§ 454 and 451.)

On January 21, 2004, SCE filed Application (A.) 04-12-014, a general rate case (GRC) proceeding, requesting a \$370 million rate increase in base rate revenues for Test Year 2006. SCE's requested revenue requirement includes virtually all the company's expenses for operation, maintenance, safety, and general expenses.

We commence this companion investigation to the GRC, to be consolidated and heard on a consolidated evidentiary record, with A.04-12-014. This investigatory proceeding is opened to allow the Commission to hear proposals other than SCE's, and to enable the Commission to be able to enter orders on matters for which the utility may not be the proponent. It is to afford parties, and this Commission, an opportunity and forum to provide and consider

evidence on issues of interest. These issues may result in directives to SCE that serve the public interest and result in just and reasonable rates, service and facilities. SCE is hereby placed on notice that the evidence taken in these consolidated proceedings may be the basis for findings and Commission orders. Accordingly, the Commission commences this investigation to study and determine issues surrounding SCE's revenue requirement, rates, practices, service, facilities, maintenance practices and maintenance practices.

IT IS ORDERED that:

1. This investigation is commenced as a companion to, and shall be consolidated with Application (A.) 04-12-014, for the purposes of taking evidence and entering orders within the jurisdiction of the Commission in connection with Southern California Edison Company's (SCE's) revenue requirement, rates, service, practices, maintenance and facilities. SCE is the respondent utility in this proceeding.
2. SCE is hereby placed on notice that the Commission, for good cause, and to advance the public interest by setting just and reasonable rates and terms for the provision of utility service, may enter orders beyond the confines of what SCE requests in companion consolidated proceeding, A.04-12-014. This proceeding is classified as ratesetting. There is a need for hearing.
3. The Executive Director shall cause a copy of this order to be served by mail on SCE's representative for regulatory affairs:

Bruce Foster, Sr. Vice President
Southern California Edison Company
601 Van Ness Avenue, Suite. 2040
San Francisco, CA 94102

4. This order shall be served on the service list to A.04-12-014.

This order is effective today.

Dated May 26, 2005, at San Francisco, California.

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN
SUSAN P. KENNEDY
DIAN M. GRUENEICH
JOHN A. BOHN
Commissioners